



TOWN OF DISCOVERY BAY

A COMMUNITY SERVICES DISTRICT

SDLF Platinum-Level of Governance



President – Bill Pease • Vice-President – Bryon Gutow • Director – Kevin Graves • Director – Robert Leete • Director – Bill Mayer

**NOTICE OF THE SPECIAL MEETING
OF THE STANDING FINANCE COMMITTEE
OF THE TOWN OF DISCOVERY BAY
Monday, March 9, 2020
STANDING FINANCE COMMITTEE SPECIAL MEETING 2:30 p.m..
Community Center
1601 Discovery Bay Boulevard, Discovery Bay, California
Website address: www.todb.ca.gov**

Finance Committee Members

*Chair Robert Leete
Vice-Chair Bill Mayer*

A. ROLL CALL

1. Call business meeting to order 2:30 p.m.
2. Roll Call.

B. PUBLIC COMMENTS (Individual Public Comments will be limited to a 3-minute time limit)

During Public Comments, the public may address the Committee on any issue within the District's jurisdiction which is not on the Agenda. The public may comment on any item on the Agenda at the time the item is before the Committee for consideration by filling out a comment form. The public will be called to comment in the order the comment forms are received. Any person wishing to speak will have 3 minutes to make their comment. There will be no dialog between the Committee and the commenter as the law strictly limits the ability of Committee members to discuss matters not on the agenda. We ask that you refrain from personal attacks during comment, and that you address all comments to the Committee only. Any clarifying questions from the Committee must go through the Chair. Comments from the public do not necessarily reflect the view point of the Committee members.

C. DRAFT MINUTES TO BE APPROVED

D. PRESENTATIONS

E. DISCUSSION ITEMS

1. Presentation by Underwriters Brandis Tallman on Debt Financing.

F. FUTURE DISCUSSION/AGENDA ITEMS

G. ADJOURNMENT

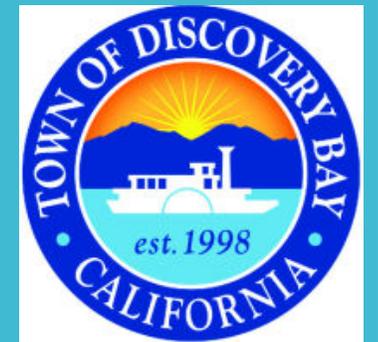
1. Adjourn to the next Standing Finance Committee meeting at the Community Center located at 1601 Discovery Bay Boulevard.

"This agenda shall be made available upon request in alternative formats to persons with a disability, as required by the American with Disabilities Act of 1990 (42 U.S.C. § 12132) and the Ralph M. Brown Act (California Government Code § 54954.2). Persons requesting a disability related modification or accommodation in order to participate in the meeting should contact the Town of Discovery Bay, at (925) 634-1131, during regular business hours, at least forty-eight hours prior to the time of the meeting."

"Materials related to an item on the Agenda submitted to the Town of Discovery Bay after distribution of the agenda packet are available for public inspection in the District Office located at 1800 Willow Lake Road during normal business hours."



TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT
Refinancing Analysis of Series 2012 Enterprise Revenue Bonds
Special Finance Committee Meeting
March 9, 2020



Introduction

A full-service investment banking firm that provides bond underwriting and direct placements for California public agencies

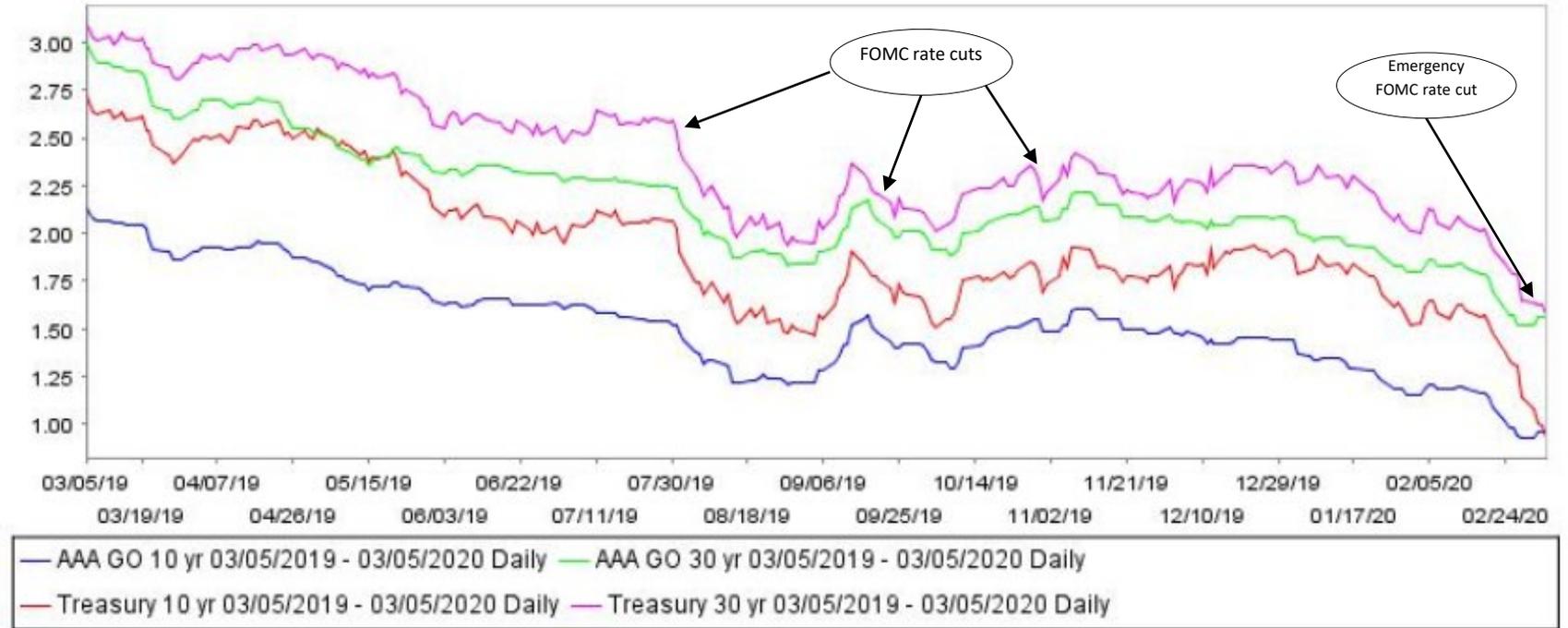
Familiar with the Town of Discovery Bay Community Services District (the "District"), having underwritten the District's Enterprise Revenue Bonds, Series 2017

Prominent member of the California Special Districts Association Finance Corporation consulting team, specializing in serving small to medium sized issuers

The District's Outstanding Debt

| Bond Issuance | Outstanding Par Amount | Interest Rate Range | Final Maturity | Call Provision | Notes |
|---|------------------------|---------------------|----------------|-------------------------------------|---|
| Enterprise Revenue Bonds, Series 2017 (Water and Wastewater Projects) \$8,825,000 Dated: April 19, 2017 | \$8,435,000 | 4.00% | 12/1/47 | Any date on or after 12/1/27 at par | -AA Rated (UL) -No reserve fund -Rate covenant and ABT of 125% -Financed improvements to water and wastewater enterprise |
| Series 2012 Enterprise Revenue Bonds (Water and Wastewater Projects) \$14,150,000 Dated: August 28, 2012 | \$12,005,000 | 4.00%-5.00% | 12/1/42 | Any date on or after 12/1/22 at par | -AA Rated (UL) -Surety policy -Rate covenant and ABT of 125% -Financed improvements to water and wastewater enterprise |

Current Market Trends



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10-year MMD Yields

3/5/2020 Close: 0.96%

52-week High: 2.13% - March 5, 2019

52-week Low: 0.93% - February 28, 2020*

10-year Treasury Yields

3/5/2020 Close: 0.93%

52-week High: 2.72% - March 5, 2019

52-week Low: 0.93% - March 5, 2020*

**all-time low*

30-year MMD Yields

3/5/2020 Close: 1.56%

52-week High: 3.00% - March 5, 2019

52-week Low: 1.52% - February 27, 2020*

30-year Treasury Yields

3/5/2020 Close: 1.57%

52-week High: 3.09% - March 5, 2019

52-week Low: 1.57% - March 5, 2020*

Refunding Opportunity: Series 2012 Enterprise Revenue Bonds

- Series 2012 Enterprise Revenue Bonds (the “2012 Bonds”) were issued on August 28, 2012 in the original amount of \$14,150,000
- Financed the acquisition and construction of improvements to the wastewater and water system
- Secured by net revenues of the water and wastewater enterprise systems (approx. 89% wastewater, 11% water)
- Underlying rating upgraded to AA in April of 2016
- Surety policy that satisfies reserve requirement
- Not callable until December 1, 2022, however can be refunded now with a taxable bond issuance
- Tax Cuts and Jobs Act of 2017 eliminated tax-exempt advance refundings (advance refundings occur when bonds are refunded more than 90 days from their call date)

Summary of Refinancing Analysis

| 2020 Enterprise Revenue Refunding Bonds | |
|--|--------------|
| Assumes AA Underling Rating, No Insurance, No Reserve Fund | |
| Par Amount | \$13,185,000 |
| Arbitrage Yield | 2.85% |
| All-In True Interest Cost | 3.05% |
| Final Maturity | 12/1/2042 |
| Average Fiscal Year Savings | \$43,224 |
| Total Savings | \$994,160 |
| Net Present Value Savings | \$722,114 |
| Net Present Value Savings % | 6.02% |

Notes:

- Assumes closing date of June 1, 2020 and a call date of December 1, 2022.
- Costs of Issuance are included in the results. Costs of Issuance are estimated to be \$266,000, which includes bond and disclosure counsel, municipal advisor, underwriter's discount, rating, trustee, and printing/miscellaneous.
- Full Numerical Analysis is attached in Appendix A.

Alternative Refinancing Option

- Alternatively, the District could hold off on the refunding for now and wait until the 2012 Bonds can be refunded with a tax-exempt issuance.
- Under this option, a refunding would not be able to close until September 2, 2022 (within 90 days of the December 1, 2022 call date).
- This would allow the refinancing to be tax-exempt, but creates risk that interest rates rise between now and September of 2022.
- Interest rate sensitivity analysis shows that if interest rates increase more than **125 basis points** between now and a 2022 bond pricing, the District would have better savings with a taxable refunding now.
 - Sensitivity analysis takes into account the difference between taxable and tax-exempt interest rates.

Questions?

Appendix A

Refinancing Analysis of 2012 Bonds

Sources and Uses of Funds
Discovery Bay Community Services District
2020 Enterprise Revenue Bonds (Refunding 2012 Bonds)

Sources:

| | | |
|----------------|------------|---------------|
| Bond Proceeds: | | |
| | Par Amount | 13,185,000.00 |
| | | 13,185,000.00 |

Uses:

| | | |
|----------------------------|----------------|---------------|
| Refunding Escrow Deposits: | | |
| | Cash Deposit | 0.72 |
| | SLGS Purchases | 12,918,710.00 |
| | | 12,918,710.72 |

Delivery Date Expenses:

| | | |
|--|------------------------|------------|
| | Cost of Issuance | 185,000.00 |
| | Underwriter's Discount | 79,110.00 |
| | | 264,110.00 |

Other Uses of Funds:

| | | |
|--|---------------------|---------------|
| | Additional Proceeds | 2,179.28 |
| | | 13,185,000.00 |

Cost of Issuance
Discovery Bay Community Services District
2020 Enterprise Revenue Bonds (Refunding 2012 Bonds)

| <u>Cost of Issuance</u> | <u>Amount</u> |
|-------------------------|-------------------|
| Other Cost of Issuance | 185,000.00 |
| | <u>185,000.00</u> |

Escrow Requirements
Discovery Bay Community Services District
2020 Enterprise Revenue Bonds (Refunding 2012 Bonds)

| Period Ending | Principal | Interest | Principal Redeemed | Total |
|------------------|--------------|--------------|-----------------------|---------------|
| 12/1/2020 | 330,000.00 | 249,881.25 | | 579,881.25 |
| 6/1/2021 | | 243,281.25 | | 243,281.25 |
| 12/1/2021 | 345,000.00 | 243,281.25 | | 588,281.25 |
| 6/1/2022 | | 236,381.25 | | 236,381.25 |
| 12/1/2022 | 360,000.00 | 236,381.25 | 10,970,000.00 | 11,566,381.25 |
| | 1,035,000.00 | 1,209,206.25 | 10,970,000.00 | 13,214,206.25 |

Summary of Bonds Refunded
Discovery Bay Community Services District
2020 Enterprise Revenue Bonds (Refunding 2012 Bonds)

| Bond | Maturity | | Interest Rate | Par Amount | Call Date | Call Price |
|--|-----------|--|---------------|---------------|-----------|------------|
| | Date | | | | | |
| Series 2012 Enterprise Revenue Bonds, 2012REV: | | | | | | |
| BOND02 | 12/1/2021 | | 4.000% | 675,000.00 | | |
| BOND03 | 12/1/2022 | | 4.000% | 360,000.00 | | |
| | 12/1/2023 | | 2.750% | 370,000.00 | 12/1/2022 | 100.000 |
| | 12/1/2024 | | 3.000% | 385,000.00 | 12/1/2022 | 100.000 |
| | 12/1/2025 | | 3.000% | 395,000.00 | 12/1/2022 | 100.000 |
| BOND04 | 12/1/2032 | | 3.750% | 3,205,000.00 | 12/1/2022 | 100.000 |
| BOND05 | 12/1/2042 | | 5.000% | 4,000,000.00 | 12/1/2022 | 100.000 |
| BOND06 | 12/1/2042 | | 4.000% | 2,615,000.00 | 12/1/2022 | 100.000 |
| | | | | 12,005,000.00 | | |

Prior Bond Debt Service
 Discovery Bay Community Services District
 2020 Enterprise Revenue Bonds (Refunding 2012 Bonds)

| Period Ending | Principal | Coupon | Interest | Debt Service | Annual Debt Service |
|---------------|------------|--------|--------------|---------------|---------------------|
| 12/1/2020 | 330,000 | 4.000% | 249,881.25 | 579,881.25 | |
| 6/1/2021 | | | 243,281.25 | 243,281.25 | 823,162.50 |
| 12/1/2021 | 345,000 | 4.000% | 243,281.25 | 588,281.25 | |
| 6/1/2022 | | | 236,381.25 | 236,381.25 | 824,662.50 |
| 12/1/2022 | 360,000 | 4.000% | 236,381.25 | 596,381.25 | |
| 6/1/2023 | | | 229,181.25 | 229,181.25 | 825,562.50 |
| 12/1/2023 | 370,000 | 2.750% | 229,181.25 | 599,181.25 | |
| 6/1/2024 | | | 224,093.75 | 224,093.75 | 823,275.00 |
| 12/1/2024 | 385,000 | 3.000% | 224,093.75 | 609,093.75 | |
| 6/1/2025 | | | 218,318.75 | 218,318.75 | 827,412.50 |
| 12/1/2025 | 395,000 | 3.000% | 218,318.75 | 613,318.75 | |
| 6/1/2026 | | | 212,393.75 | 212,393.75 | 825,712.50 |
| 12/1/2026 | 410,000 | 3.750% | 212,393.75 | 622,393.75 | |
| 6/1/2027 | | | 204,706.25 | 204,706.25 | 827,100.00 |
| 12/1/2027 | 425,000 | 3.750% | 204,706.25 | 629,706.25 | |
| 6/1/2028 | | | 196,737.50 | 196,737.50 | 826,443.75 |
| 12/1/2028 | 440,000 | 3.750% | 196,737.50 | 636,737.50 | |
| 6/1/2029 | | | 188,487.50 | 188,487.50 | 825,225.00 |
| 12/1/2029 | 455,000 | 3.750% | 188,487.50 | 643,487.50 | |
| 6/1/2030 | | | 179,956.25 | 179,956.25 | 823,443.75 |
| 12/1/2030 | 475,000 | 3.750% | 179,956.25 | 654,956.25 | |
| 6/1/2031 | | | 171,050.00 | 171,050.00 | 826,006.25 |
| 12/1/2031 | 490,000 | 3.750% | 171,050.00 | 661,050.00 | |
| 6/1/2032 | | | 161,862.50 | 161,862.50 | 822,912.50 |
| 12/1/2032 | 510,000 | 3.750% | 161,862.50 | 671,862.50 | |
| 6/1/2033 | | | 152,300.00 | 152,300.00 | 824,162.50 |
| 12/1/2033 | 535,000 | ** | 152,300.00 | 687,300.00 | |
| 6/1/2034 | | | 139,975.00 | 139,975.00 | 827,275.00 |
| 12/1/2034 | 560,000 | ** | 139,975.00 | 699,975.00 | |
| 6/1/2035 | | | 127,075.00 | 127,075.00 | 827,050.00 |
| 12/1/2035 | 585,000 | ** | 127,075.00 | 712,075.00 | |
| 6/1/2036 | | | 113,600.00 | 113,600.00 | 825,675.00 |
| 12/1/2036 | 610,000 | ** | 113,600.00 | 723,600.00 | |
| 6/1/2037 | | | 99,550.00 | 99,550.00 | 823,150.00 |
| 12/1/2037 | 640,000 | ** | 99,550.00 | 739,550.00 | |
| 6/1/2038 | | | 84,825.00 | 84,825.00 | 824,375.00 |
| 12/1/2038 | 670,000 | ** | 84,825.00 | 754,825.00 | |
| 6/1/2039 | | | 69,400.00 | 69,400.00 | 824,225.00 |
| 12/1/2039 | 705,000 | ** | 69,400.00 | 774,400.00 | |
| 6/1/2040 | | | 53,175.00 | 53,175.00 | 827,575.00 |
| 12/1/2040 | 735,000 | ** | 53,175.00 | 788,175.00 | |
| 6/1/2041 | | | 36,250.00 | 36,250.00 | 824,425.00 |
| 12/1/2041 | 770,000 | ** | 36,250.00 | 806,250.00 | |
| 6/1/2042 | | | 18,525.00 | 18,525.00 | 824,775.00 |
| 12/1/2042 | 805,000 | ** | 18,525.00 | 823,525.00 | |
| 6/1/2043 | | | | | 823,525.00 |
| | 12,005,000 | | 6,972,131.25 | 18,977,131.25 | 18,977,131.25 |

Bond Summary Statistics
Discovery Bay Community Services District
2020 Enterprise Revenue Bonds (Refunding 2012 Bonds)

| | |
|---------------------------------|---------------|
| Dated Date | 6/1/2020 |
| Delivery Date | 6/1/2020 |
| Last Maturity | 12/1/2042 |
| | |
| Arbitrage Yield | 2.853972% |
| True Interest Cost (TIC) | 2.913082% |
| Net Interest Cost (NIC) | 2.933627% |
| All-In TIC | 3.053355% |
| Average Coupon | 2.886041% |
| | |
| Average Life (years) | 12.609 |
| Duration of Issue (years) | 10.315 |
| | |
| Par Amount | 13,185,000.00 |
| Bond Proceeds | 13,185,000.00 |
| Total Interest | 4,797,971.75 |
| Net Interest | 4,877,081.75 |
| Total Debt Service | 17,982,971.75 |
| Maximum Annual Debt Service | 785,162.00 |
| Average Annual Debt Service | 799,243.19 |
| | |
| Underwriter's Fees (per \$1000) | |
| Average Takedown | |
| Other Fee | 6.000000 |
| | ----- |
| Total Underwriter's Discount | 6.000000 |
| | |
| Bid Price | 99.400000 |

| Bond Component | Par Value | Price | Average Coupon | Average Life |
|-------------------|---------------|---------|----------------|--------------|
| Bond Component | 5,370,000.00 | 100.000 | 1.985% | 5.689 |
| Bond Component #2 | 2,915,000.00 | 100.000 | 2.770% | 13.557 |
| Bond Component #3 | 4,900,000.00 | 100.000 | 3.220% | 19.629 |
| | 13,185,000.00 | | | 12.609 |

| | TIC | All-In TIC | Arbitrage Yield |
|----------------------------|---------------|---------------|-----------------|
| | ----- | ----- | ----- |
| Par Value | 13,185,000.00 | 13,185,000.00 | 13,185,000.00 |
| + Accrued Interest | | | |
| + Premium (Discount) | | | |
| - Underwriter's Discount | -79,110.00 | -79,110.00 | |
| - Cost of Issuance Expense | | -185,000.00 | |
| - Other Amounts | | | |
| | ----- | ----- | ----- |
| Target Value | 13,105,890.00 | 12,920,890.00 | 13,185,000.00 |
| Target Date | 6/1/2020 | 6/1/2020 | 6/1/2020 |
| Yield | 2.913082% | 3.053355% | 2.853972% |

Bond Pricing
 Discovery Bay Community Services District
 2020 Enterprise Revenue Bonds (Refunding 2012 Bonds)

| Bond Component | Maturity Date | Amount | Rate | Yield | Price |
|--------------------|---------------|------------|--------|--------|---------|
| Bond Component: | | | | | |
| | 12/1/2020 | 445,000 | 1.450% | 1.450% | 100.000 |
| | 12/1/2021 | 455,000 | 1.480% | 1.480% | 100.000 |
| | 12/1/2022 | 460,000 | 1.510% | 1.510% | 100.000 |
| | 12/1/2023 | 465,000 | 1.600% | 1.600% | 100.000 |
| | 12/1/2024 | 480,000 | 1.680% | 1.680% | 100.000 |
| | 12/1/2025 | 485,000 | 1.760% | 1.760% | 100.000 |
| | 12/1/2026 | 495,000 | 1.910% | 1.910% | 100.000 |
| | 12/1/2027 | 505,000 | 2.010% | 2.010% | 100.000 |
| | 12/1/2028 | 515,000 | 2.090% | 2.090% | 100.000 |
| | 12/1/2029 | 525,000 | 2.200% | 2.200% | 100.000 |
| | 12/1/2030 | 540,000 | 2.250% | 2.250% | 100.000 |
| | | 5,370,000 | | | |
| Bond Component #2: | | | | | |
| | 12/1/2031 | 550,000 | 2.770% | 2.770% | 100.000 |
| | 12/1/2032 | 565,000 | 2.770% | 2.770% | 100.000 |
| | 12/1/2033 | 585,000 | 2.770% | 2.770% | 100.000 |
| | 12/1/2034 | 600,000 | 2.770% | 2.770% | 100.000 |
| | 12/1/2035 | 615,000 | 2.770% | 2.770% | 100.000 |
| | | 2,915,000 | | | |
| Bond Component #3: | | | | | |
| | 12/1/2036 | 635,000 | 3.220% | 3.220% | 100.000 |
| | 12/1/2037 | 655,000 | 3.220% | 3.220% | 100.000 |
| | 12/1/2038 | 675,000 | 3.220% | 3.220% | 100.000 |
| | 12/1/2039 | 700,000 | 3.220% | 3.220% | 100.000 |
| | 12/1/2040 | 720,000 | 3.220% | 3.220% | 100.000 |
| | 12/1/2041 | 745,000 | 3.220% | 3.220% | 100.000 |
| | 12/1/2042 | 770,000 | 3.220% | 3.220% | 100.000 |
| | | 4,900,000 | | | |
| | | 13,185,000 | | | |

| | | |
|-------------------------|---------------|-------------|
| Dated Date | 6/1/2020 | |
| Delivery Date | 6/1/2020 | |
| First Coupon | 12/1/2020 | |
| Par Amount | 13,185,000.00 | |
| Original Issue Discount | ----- | |
| Production | 13,185,000.00 | 100.000000% |
| Underwriter's Discount | -79,110.00 | -0.600000% |
| Purchase Price | 13,105,890.00 | 99.400000% |
| Accrued Interest | ----- | |
| Net Proceeds | 13,105,890.00 | |

Bond Debt Service
 Discovery Bay Community Services District
 2020 Enterprise Revenue Bonds (Refunding 2012 Bonds)

| Period Ending | Principal | Coupon | Interest | Debt Service | Annual Debt Service |
|------------------|------------|--------|--------------|---------------|------------------------|
| 12/1/2020 | 445,000 | 1.450% | 168,383.25 | 613,383.25 | |
| 6/1/2021 | | | 165,157.00 | 165,157.00 | 778,540.25 |
| 12/1/2021 | 455,000 | 1.480% | 165,157.00 | 620,157.00 | |
| 6/1/2022 | | | 161,790.00 | 161,790.00 | 781,947.00 |
| 12/1/2022 | 460,000 | 1.510% | 161,790.00 | 621,790.00 | |
| 6/1/2023 | | | 158,317.00 | 158,317.00 | 780,107.00 |
| 12/1/2023 | 465,000 | 1.600% | 158,317.00 | 623,317.00 | |
| 6/1/2024 | | | 154,597.00 | 154,597.00 | 777,914.00 |
| 12/1/2024 | 480,000 | 1.680% | 154,597.00 | 634,597.00 | |
| 6/1/2025 | | | 150,565.00 | 150,565.00 | 785,162.00 |
| 12/1/2025 | 485,000 | 1.760% | 150,565.00 | 635,565.00 | |
| 6/1/2026 | | | 146,297.00 | 146,297.00 | 781,862.00 |
| 12/1/2026 | 495,000 | 1.910% | 146,297.00 | 641,297.00 | |
| 6/1/2027 | | | 141,569.75 | 141,569.75 | 782,866.75 |
| 12/1/2027 | 505,000 | 2.010% | 141,569.75 | 646,569.75 | |
| 6/1/2028 | | | 136,494.50 | 136,494.50 | 783,064.25 |
| 12/1/2028 | 515,000 | 2.090% | 136,494.50 | 651,494.50 | |
| 6/1/2029 | | | 131,112.75 | 131,112.75 | 782,607.25 |
| 12/1/2029 | 525,000 | 2.200% | 131,112.75 | 656,112.75 | |
| 6/1/2030 | | | 125,337.75 | 125,337.75 | 781,450.50 |
| 12/1/2030 | 540,000 | 2.250% | 125,337.75 | 665,337.75 | |
| 6/1/2031 | | | 119,262.75 | 119,262.75 | 784,600.50 |
| 12/1/2031 | 550,000 | 2.770% | 119,262.75 | 669,262.75 | |
| 6/1/2032 | | | 111,645.25 | 111,645.25 | 780,908.00 |
| 12/1/2032 | 565,000 | 2.770% | 111,645.25 | 676,645.25 | |
| 6/1/2033 | | | 103,820.00 | 103,820.00 | 780,465.25 |
| 12/1/2033 | 585,000 | 2.770% | 103,820.00 | 688,820.00 | |
| 6/1/2034 | | | 95,717.75 | 95,717.75 | 784,537.75 |
| 12/1/2034 | 600,000 | 2.770% | 95,717.75 | 695,717.75 | |
| 6/1/2035 | | | 87,407.75 | 87,407.75 | 783,125.50 |
| 12/1/2035 | 615,000 | 2.770% | 87,407.75 | 702,407.75 | |
| 6/1/2036 | | | 78,890.00 | 78,890.00 | 781,297.75 |
| 12/1/2036 | 635,000 | 3.220% | 78,890.00 | 713,890.00 | |
| 6/1/2037 | | | 68,666.50 | 68,666.50 | 782,556.50 |
| 12/1/2037 | 655,000 | 3.220% | 68,666.50 | 723,666.50 | |
| 6/1/2038 | | | 58,121.00 | 58,121.00 | 781,787.50 |
| 12/1/2038 | 675,000 | 3.220% | 58,121.00 | 733,121.00 | |
| 6/1/2039 | | | 47,253.50 | 47,253.50 | 780,374.50 |
| 12/1/2039 | 700,000 | 3.220% | 47,253.50 | 747,253.50 | |
| 6/1/2040 | | | 35,983.50 | 35,983.50 | 783,237.00 |
| 12/1/2040 | 720,000 | 3.220% | 35,983.50 | 755,983.50 | |
| 6/1/2041 | | | 24,391.50 | 24,391.50 | 780,375.00 |
| 12/1/2041 | 745,000 | 3.220% | 24,391.50 | 769,391.50 | |
| 6/1/2042 | | | 12,397.00 | 12,397.00 | 781,788.50 |
| 12/1/2042 | 770,000 | 3.220% | 12,397.00 | 782,397.00 | |
| 6/1/2043 | | | | | 782,397.00 |
| | 13,185,000 | | 4,797,971.75 | 17,982,971.75 | 17,982,971.75 |

Bond Debt Service
Discovery Bay Community Services District
2020 Enterprise Revenue Bonds (Refunding 2012 Bonds)

| Period Ending | Principal | Coupon | Interest | Debt Service |
|------------------|------------|--------|--------------|---------------|
| 6/1/2021 | 445,000 | 1.450% | 333,540.25 | 778,540.25 |
| 6/1/2022 | 455,000 | 1.480% | 326,947.00 | 781,947.00 |
| 6/1/2023 | 460,000 | 1.510% | 320,107.00 | 780,107.00 |
| 6/1/2024 | 465,000 | 1.600% | 312,914.00 | 777,914.00 |
| 6/1/2025 | 480,000 | 1.680% | 305,162.00 | 785,162.00 |
| 6/1/2026 | 485,000 | 1.760% | 296,862.00 | 781,862.00 |
| 6/1/2027 | 495,000 | 1.910% | 287,866.75 | 782,866.75 |
| 6/1/2028 | 505,000 | 2.010% | 278,064.25 | 783,064.25 |
| 6/1/2029 | 515,000 | 2.090% | 267,607.25 | 782,607.25 |
| 6/1/2030 | 525,000 | 2.200% | 256,450.50 | 781,450.50 |
| 6/1/2031 | 540,000 | 2.250% | 244,600.50 | 784,600.50 |
| 6/1/2032 | 550,000 | 2.770% | 230,908.00 | 780,908.00 |
| 6/1/2033 | 565,000 | 2.770% | 215,465.25 | 780,465.25 |
| 6/1/2034 | 585,000 | 2.770% | 199,537.75 | 784,537.75 |
| 6/1/2035 | 600,000 | 2.770% | 183,125.50 | 783,125.50 |
| 6/1/2036 | 615,000 | 2.770% | 166,297.75 | 781,297.75 |
| 6/1/2037 | 635,000 | 3.220% | 147,556.50 | 782,556.50 |
| 6/1/2038 | 655,000 | 3.220% | 126,787.50 | 781,787.50 |
| 6/1/2039 | 675,000 | 3.220% | 105,374.50 | 780,374.50 |
| 6/1/2040 | 700,000 | 3.220% | 83,237.00 | 783,237.00 |
| 6/1/2041 | 720,000 | 3.220% | 60,375.00 | 780,375.00 |
| 6/1/2042 | 745,000 | 3.220% | 36,788.50 | 781,788.50 |
| 6/1/2043 | 770,000 | 3.220% | 12,397.00 | 782,397.00 |
| | 13,185,000 | | 4,797,971.75 | 17,982,971.75 |

Savings
Discovery Bay Community Services District
2020 Enterprise Revenue Bonds (Refunding 2012 Bonds)

| Date | Prior Debt Service | Refunding Debt Service | Savings | Annual Savings | Present Value to 06/01/2020 @ 2.8539720% |
|-----------|--------------------|------------------------|------------|----------------|--|
| 12/1/2020 | 579,881.25 | 613,383.25 | -33,502.00 | | -33,030.66 |
| 6/1/2021 | 243,281.25 | 165,157.00 | 78,124.25 | 44,622.25 | 75,941.44 |
| 12/1/2021 | 588,281.25 | 620,157.00 | -31,875.75 | | -30,549.20 |
| 6/1/2022 | 236,381.25 | 161,790.00 | 74,591.25 | 42,715.50 | 70,481.28 |
| 12/1/2022 | 596,381.25 | 621,790.00 | -25,408.75 | | -23,670.95 |
| 6/1/2023 | 229,181.25 | 158,317.00 | 70,864.25 | 45,455.50 | 65,088.77 |
| 12/1/2023 | 599,181.25 | 623,317.00 | -24,135.75 | | -21,856.78 |
| 6/1/2024 | 224,093.75 | 154,597.00 | 69,496.75 | 45,361.00 | 62,049.22 |
| 12/1/2024 | 609,093.75 | 634,597.00 | -25,503.25 | | -22,449.87 |
| 6/1/2025 | 218,318.75 | 150,565.00 | 67,753.75 | 42,250.50 | 58,802.82 |
| 12/1/2025 | 613,318.75 | 635,565.00 | -22,246.25 | | -19,035.67 |
| 6/1/2026 | 212,393.75 | 146,297.00 | 66,096.75 | 43,850.50 | 55,761.94 |
| 12/1/2026 | 622,393.75 | 641,297.00 | -18,903.25 | | -15,723.19 |
| 6/1/2027 | 204,706.25 | 141,569.75 | 63,136.50 | 44,233.25 | 51,776.32 |
| 12/1/2027 | 629,706.25 | 646,569.75 | -16,863.50 | | -13,634.68 |
| 6/1/2028 | 196,737.50 | 136,494.50 | 60,243.00 | 43,379.50 | 48,023.11 |
| 12/1/2028 | 636,737.50 | 651,494.50 | -14,757.00 | | -11,598.14 |
| 6/1/2029 | 188,487.50 | 131,112.75 | 57,374.75 | 42,617.75 | 44,458.77 |
| 12/1/2029 | 643,487.50 | 656,112.75 | -12,625.25 | | -9,645.46 |
| 6/1/2030 | 179,956.25 | 125,337.75 | 54,618.50 | 41,993.25 | 41,140.48 |
| 12/1/2030 | 654,956.25 | 665,337.75 | -10,381.50 | | -7,709.68 |
| 6/1/2031 | 171,050.00 | 119,262.75 | 51,787.25 | 41,405.75 | 37,918.00 |
| 12/1/2031 | 661,050.00 | 669,262.75 | -8,212.75 | | -5,928.67 |
| 6/1/2032 | 161,862.50 | 111,645.25 | 50,217.25 | 42,004.50 | 35,741.14 |
| 12/1/2032 | 671,862.50 | 676,645.25 | -4,782.75 | | -3,356.14 |
| 6/1/2033 | 152,300.00 | 103,820.00 | 48,480.00 | 43,697.25 | 33,540.62 |
| 12/1/2033 | 687,300.00 | 688,820.00 | -1,520.00 | | -1,036.81 |
| 6/1/2034 | 139,975.00 | 95,717.75 | 44,257.25 | 42,737.25 | 29,763.63 |
| 12/1/2034 | 699,975.00 | 695,717.75 | 4,257.25 | | 2,822.78 |
| 6/1/2035 | 127,075.00 | 87,407.75 | 39,667.25 | 43,924.50 | 25,931.43 |
| 12/1/2035 | 712,075.00 | 702,407.75 | 9,667.25 | | 6,230.80 |
| 6/1/2036 | 113,600.00 | 78,890.00 | 34,710.00 | 44,377.25 | 22,056.77 |
| 12/1/2036 | 723,600.00 | 713,890.00 | 9,710.00 | | 6,083.49 |
| 6/1/2037 | 99,550.00 | 68,666.50 | 30,883.50 | 40,593.50 | 19,076.86 |
| 12/1/2037 | 739,550.00 | 723,666.50 | 15,883.50 | | 9,673.26 |
| 6/1/2038 | 84,825.00 | 58,121.00 | 26,704.00 | 42,587.50 | 16,034.28 |
| 12/1/2038 | 754,825.00 | 733,121.00 | 21,704.00 | | 12,848.71 |
| 6/1/2039 | 69,400.00 | 47,253.50 | 22,146.50 | 43,850.50 | 12,926.21 |
| 12/1/2039 | 774,400.00 | 747,253.50 | 27,146.50 | | 15,621.64 |
| 6/1/2040 | 53,175.00 | 35,983.50 | 17,191.50 | 44,338.00 | 9,753.78 |
| 12/1/2040 | 788,175.00 | 755,983.50 | 32,191.50 | | 18,007.23 |
| 6/1/2041 | 36,250.00 | 24,391.50 | 11,858.50 | 44,050.00 | 6,540.06 |
| 12/1/2041 | 806,250.00 | 769,391.50 | 36,858.50 | | 20,041.78 |
| 6/1/2042 | 18,525.00 | 12,397.00 | 6,128.00 | 42,986.50 | 3,285.22 |
| 12/1/2042 | 823,525.00 | 782,397.00 | 41,128.00 | | 21,738.48 |
| 6/1/2043 | | | | 41,128.00 | |
| | 18,977,131.25 | 17,982,971.75 | 994,159.50 | 994,159.50 | 719,934.44 |

Savings Summary

| | |
|-------------------------------|------------|
| PV of savings from cash flow | 719,934.44 |
| Plus: Refunding funds on hand | 2,179.28 |
| | ----- |
| Net PV Savings | 722,113.72 |

Summary of Refunding Results
Discovery Bay Community Services District
2020 Enterprise Revenue Bonds (Refunding 2012 Bonds)

| | |
|--|---------------|
| Dated Date | 6/1/2020 |
| Delivery Date | 6/1/2020 |
| Arbitrage yield | 2.853972% |
| Escrow yield | 0.972995% |
| Value of Negative Arbitrage | 548,034.87 |
| | |
| Bond Par Amount | 13,185,000.00 |
| True Interest Cost | 2.913082% |
| Net Interest Cost | 2.933627% |
| Average Coupon | 2.886041% |
| Average Life | 12.609 |
| | |
| Par amount of refunded bonds | 12,005,000.00 |
| Average coupon of refunded bonds | 4.378173% |
| Average life of refunded bonds | 13.265 |
| | |
| PV of prior debt to 06/01/2020 @ 2.853972% | 13,904,934.44 |
| Net PV Savings | 722,113.72 |
| Percentage savings of refunded bonds | 6.015108% |
| Percentage savings of refunding bonds | 5.476782% |